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UNREST IN SPAIN

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- Since 9 April, a series of strikes in important Spanish industrial cities of the north have served to emphasize the growth of discontent in Spain, which first came to public attention last February, when University of Madrid students engaged in riots. Meither the strikes -- spurred by rising living costs -- nor the student riots represent an immediate threat to the Franco government's stability, but furthermanifestations of discontent may appear in other parts of Spain, with the tacit or open sympathy of important elements among Franco's supporters.
- Worker discontent has been evident since October 1955, when the price of staple foods showed a 5% increase over the previous May. February '56 European cold wave caused a sharp additional rise in food costs, and the Government tried to meet this problem by decreeing a 20% rise in wages effective 1 April. Discontent became more vocal with the first pay-day after this date; the workers maintaining that the wage rise was not enough to meet increased living costs (which, they claimed, had outrisen the wage increase) in wages. They demanded raises of from 30% to 40% and pointed to the government's failure to keep its promise to hold prices down.
- 3. Walkouts began on Monday, 9 April, in the province of Havarre and spread to Barcelona and various cities in the Basque provinces -- chiefly affecting the metallurgical industries. authorities reacted by closing down the struck plants, annuling wage increases negotiated by striking workers with management, and argesting Approved For Release 2002/05/07: CIA-RDP79R00890A000700050017-7

a considerable number of strikers. Madrid also strengthened local security forces and, in general, demonstrated the Government's intent to take a tough attitude. The strikes are no longer spreading, but some 50,000 workers are still locked out and US Embassy Madrid considers new flare-ups possible.

- 4. Strong student opposition to the Franco regime and its policies was evidenced in a poll taken in October 1955 among 400 University of Madrid students (but not released till January '56, and then only to the foreign press). Early in February, Madrid students demonstrated against the Government's curbs on freedom of thought and there were several bloody encounters with Falangist students. The Government replaced the education minister and the secretary-general of the Falange, suspended certain portions of the 1945 bill of rights, and arrested several students whom it charged with Communist affiliations and subversive activities. Four of the students were subsequently defended in court by the eminent Monarchist, Gil Robles, and (on 25 April) were given what is generally regarded as a light sentence ( six to twelve months, rather than 5 years demanded by the prosecution).
- 5. Weither the strikes nor the student demonstrations represent any immediate threat to the stability of the Franco regime, which apparently still commands the full loyalty of the police and the armed forces. There are some indications, however, of tacit support for the discontented workers both from ecclesiastical circles and reformist elements in the Falange. The Government's concern has been evidenced by its strict security measures and its efforts to convince the public that the Spanish Communist party (actually very

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weak) is back of both the student and worker disorders. The regime's concern has also colored several recent statements by Franco. On 24 April, he declared that the Falange would rise again, if necessary to prevent widespread public disorders. On 28 April, he told a military audience that the army is "the backbone of internal order" and must be perfected for this important purpose.